

**IANNUAL PERFORMANCE REPORT  
OF**

**!KHEIS MUNICIPALITY**



**!Kheis**  
Munisipaliteit  
Municipality

**2006/2007**

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# CHAPTER 1: INTRODUCTION

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## 1.2 FOREWORD BY THE MAYOR



*Mayor of Kheis Municipality: Councillor. S.M. Jansen*

It is indeed a pleasure to present to you an account of service delivery over the last year. When we campaigned for election for the last local government election we promised to “*make local government work better.*” This is an account to the communities who tirelessly show their commitment to be part of the government system of the country and very specifically the local government system.

It is indeed critical that we acknowledge that this year, 2007 marks the 11<sup>th</sup> year of the adoption of the constitution of our country. The symbolism and relevance of this is borne in the fact that such accountability gives us a chance to exercise the values as enshrined in the constitution of the republic of South Africa.

*“Letting local government work better”* for our communities might mean a lot of things to many different people by for the council and staff of the Kheis Municipality it means one thing and that is realising the challenges of the past and understanding the efforts made previously so that we can improve on those efforts in order to afford our people a better quality of life.

A particular challenge placed on our municipality is the fact that we are a project consolidate municipality. Indeed as we all know there is a huge focus from all spheres of government to give support to municipalities such as ours in that regard. Colleagues, ladies and gentlemen as we reflect on the past year let it not be forgotten that we have a challenge to totally eradicate the

negative legacies which have led to our communities not benefiting to the maximum for a government they had sacrificed a great deal for.

Ladies and gentlemen we know that we are a long way from where we need to be but let us embrace the gains made to date and begin to increase the bar for the next level of delivery. Let us begin to understand the task ahead with confidence and hope for a better future!

## **1.2 INTRODUCING THE MUNICIPALITY**

### **HISTORICAL BACKGROUND**

The !Kheis Municipal Area was initially inhabited by the Khoi-San people, who've also been the first permanent inhabitants of South Africa. The San, who lived a nomadic life, migrated through the area. The Korannas (Khoi group) arrived in the area during the 18<sup>th</sup> century. They were widely spread over the "Benede Oranje" area and consisted of various tribes, each with its own captain (leader). The groups who lived in the !Kheis area, was under leadership of Captain Willem Bostander and Klaas Springbok. Many of their descendants still live in the area today. Other Khoi-groups, such as the Griekwas, also migrated through the area and intermarried with the Korannas. Later Coloured stock farmers, as well as white hunters and farmers arrived.

The Korannas tenaciously protected their territory against English invaders, when the English wanted to shift the Colonial Northern Border up to the Orange River. After several Northern Border wars, the Korannas power was broken and several Koranna leaders i.e. Dawid Diederiks, Jan Kivedo (Cupido), Karel Ruyter (Ruiters), Piet Rooi, Klaas Lukas, Jan Malgas, Thomas Pofadder, were caught between 1870 and 1879 by the English and held captive as political prisoners on Robben Island. (The very first people sent to Robben Island as political prisoners, were Khoi people). In 1883 Piet Rooi died as a prisoner on Robben Island.

The actions of the English against the Korannas left them without leaders, which largely led to the fall of the Koranna people. The fact that the Municipality was given the name !Kheis is indeed an acknowledgment to the native people who first migrated to this area.

## **MUNICIPAL BACKGROUND**

!Kheis Municipality was established from the former Groblershoop Municipality, including the following settlements:

- Boegoeberg
- Gariep
- Grootdrink
- Kleinbegin
- Opwag
- Topline
- Wegdraai

These settlements were previously part of the Siyanda and Karoo District Municipalities (Boegoeberg: Karoo District Municipality). These Municipalities administrated these settlements and provided them with services up until the demarcation in November 2000. From December 2000, !Kheis Municipality took over services and personnel and total service provision took place from 1 July 2001.

Environmental Health Services is still rendered by the Siyanda District Municipality.

## **LOCATION AND COMPOSITION OF THE AREA**

The !Kheis Municipal Area is part of the Siyanda District Municipal Area. The main town is Groblershoop and other settlements include Grootdrink, Topline, Wegdraai, Gariep, Opwag en Boegoeberg. !Kheis Municipal Area is east and

southeast of Upington and was previously part of the Kenhardt Magistrate area.

The nearest settlement to Upington is Grootdrink, situated  $\pm 75$  km from Upington. Topline, is situated  $\pm 95$  km from Upington and Wegdraai, is  $\pm 105$  km from Upington. All the before-mentioned settlements are situated southeast of Upington. Directly east of Grootdrink, you find Gariep, which is connected with a gravel road to Grootdrink and a tar road to Groblershoop-Griekwastad. East of Groblershoop you find Boegoeberg, which is  $\pm 15$  km from Groblershoop on route to the Boegoeberg dam. Northwest of Groblershoop is Opwag. The rest of the Municipal Area is occupied by commercial farms and commonage land.

## **NATURAL RESOURCES**

!Kheis Municipal Area is mainly a stock-farming and irrigation area. The Orange River stretches right through the area, from the southeast to the northwest. It is in actual fact the river that makes economic development possible. Without the river, the area would have been much poorer. Residents of the area also settled close to the river.

The presence of perennial river water, contributed mainly to the establishment of table grapes, which are marketed and exported to Western Europe. This industry currently provides the most job opportunities in the area. Unfortunately a large percentage of this employment is only seasonal.

The environment also promote stock-farming and people especially farm with sheep for the meat market. The stock-farming industry also provides work to local people. Sometimes, however, the stock-farming industry is affected negatively by droughts.

The natural environment of !Kheis Municipal Area further creates opportunities for tourism. For instance, the presence of the Orange River is a definite tourism asset, since the river provides several tourism possibilities. The

appearance of mountains, hills, and large open spaces, could also be allurements for the 4X4 tourists, since 4X4 routes could be created. The natural appearance of the area also supports agricultural tourism.

## **CLIMATE**

The !Kheis area falls within a rain shadow. The average rainfall is 130mm per year. Conditions are related to those of a semi-desert.

Summers are very hot with temperatures up to 40°C and winters are cold, with temperatures averaging 10°C, but could also fall below 0°C.

## **TOPOGRAPHY**

The area is drained by several ground levels and non-perennial rivers. These are mainly dry streams which are transformed into strong streams during very wet years. From there the water flows to the Orange River. Few hills / mountains also appear, i.e. Asbestos Mountains. The area is part of the Nama-Karoo Biome.

The natural vegetation is characterised by Karoo plants, which adapted well to the environment, e.g. “Kokerboom”, “Witgat” and Camelthorn tree. Furthermore berg-field appears in the Asbestos Mountains with sand-field in-between, especially where the Camelthorn and “Swarthaak” is the dominant tree species.

Foreign trees such as the Prosopis (Suidwes Boom) also occur in the area, but many of these trees have been eradicated already by the Department of Water Affairs' Work for Water-project. Several types of grass also occur in the area. Destroying of the area is happening, due to the eradication of the Prosopis, without planting of other plants in its place.

## **OUR COUNCILLORS**

**Ward Councillors:**

Ward 1: Councillor P. Eksteen (ANC)

Ward 2: Councillor E. Cloete (ANC)

Ward 3: Councillor S.M. Jansen (ANC) Mayor

Ward 4: Councillor K. Esau (ANC)

**PR Councillors:**

Councillor, J. Ruiters (ANC)

Councillor, J. Josephs (ID)

Councillor, H. Smith (DA)

**1.4 VISION AND MISSION OF MUNICIPALITY****VISION**

***“The development of an institution, focussing on transparent, loyal and effective service delivery to the residents of the !Kheis Municipal Area.”***

**MISSION**

***“To promote economic development to the advantage of communities within the boundaries of the !Kheis Municipality. This will be done by the establishment and maintenance of an effective administration and a safe environment in order to attract tourists and investors to the area.”***



## 1.5. POWERS AND FUNCTIONS OF THE MUNICIPALITY

*Table 1: Powers and Functions of !Kheis Municipality*

<b>Power and Function</b>	<b>Provide service</b>	<b>Specify</b>
Air pollution	No	Not adequate staff / financial resources allocated
Building regulations	No	
Child care facilities	No	
Electricity reticulation	No	ESKOM
Fire fighting	Yes	Both district & local Municipal function
Local Tourism	No	District fulfils this function
Municipal Airport	Yes	Air strip in Groblershoop
Municipal Planning	Yes	Need more than 5 years to address the municipal service backlog
Municipal Public Transport	No	Not authorised to fulfil the function
Pontoons and Ferries	No	Not adequate staff / financial resources allocated
Storm Water	Yes	Lack staff / financial resources to render full service
Trading regulations	No	District Municipality currently fulfil the function
Water (Potable)	Yes	Only in part of the Municipal area
Sanitation	Yes	In full municipal area
Beaches and Amusement facilities	No	Not adequate staff / financial resources allocated
Billboards and the display of advertisements in public places	No	Not adequate staff / financial resources allocated
Cemeteries, funeral parlours and crematoria	Yes	Lack staff / financial resources to render full service
Cleansing	Yes	Lack staff / financial resources to render full service
Control of public nuisance	No	Not adequate staff / financial resources allocated
Control of undertakings that sell liquor to the public	No	Not adequate staff / financial resources allocated
Facilities for the accommodation, care and burial of animals	No	Not adequate staff / financial resources allocated
Fencing and fences	No	Lack staff / financial resources to render full service
Licensing of dogs	No	Not adequate staff / financial resources allocated

<b>Power and Function</b>	<b>Provide service</b>	<b>Specify</b>
Licensing and control of undertakings that sell food to the public	No	Not adequate staff / financial resources allocated
Local amenities	No	Not adequate staff / financial resources allocated
Local sport facilities	Yes	Lack staff / financial resources to render full service
Markets	No	District Municipal function only
Municipal abattoirs	No	Not adequate staff / financial resources allocated
Municipal parks and recreation	Yes	Lack staff / financial resources to render full service
Municipal roads	Yes	Lack staff / financial resources to render full service
Noise pollution	No	Not adequate staff / financial resources allocated
Pounds	No	Not adequate staff / financial resources allocated
Public places	Yes	Lack staff / financial resources to render full service
Refuse removal, refuse dumps and solid waste disposal	Yes	Lack staff / financial resources to render full service
Street trading	Yes	Lack staff / financial resources to render full service
Street lighting	Yes	Lack staff / financial resources to render full service
Traffic and parking	No	Not adequate staff / financial resources allocated

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## CHAPTER 2: INSTITUTIONAL AND DEVELOPMENT

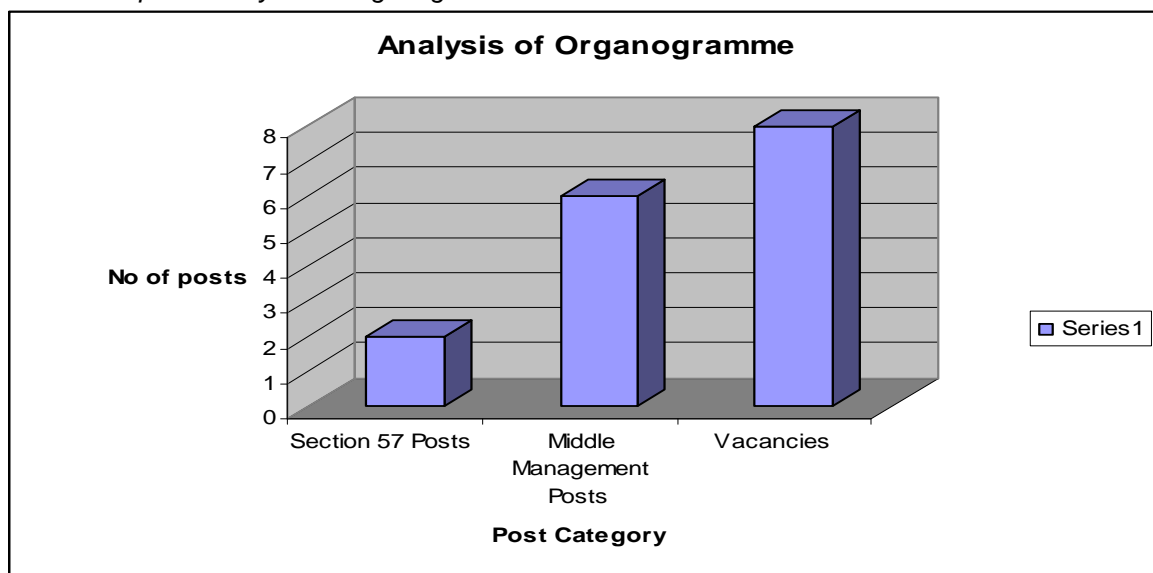
## TRANSFORMATION ORGANISATIONAL

### 2.1 The Municipal Organogramme (Annexure A)

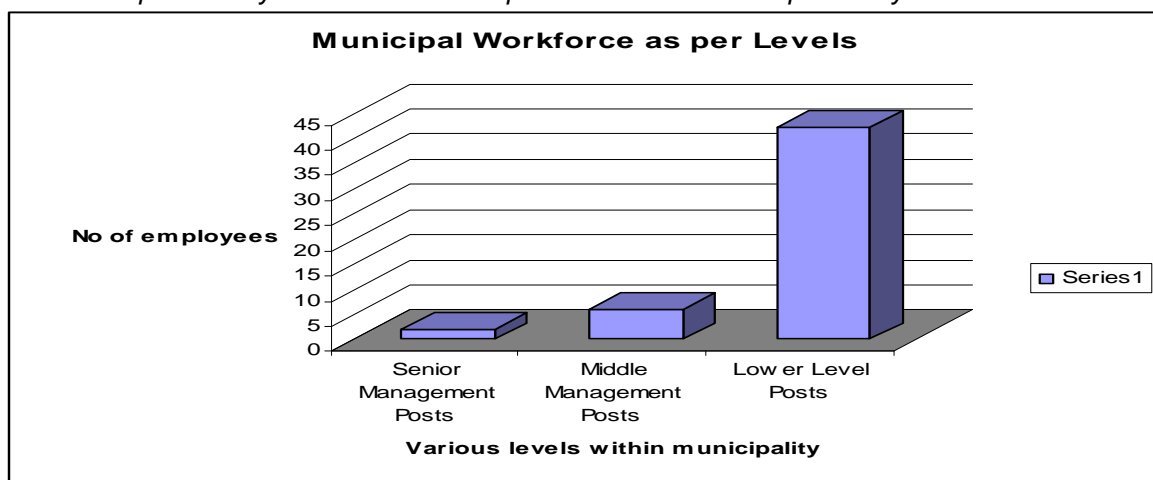
According to the organogramme the municipality currently has 55 total posts and:

- 2 of the 55 or 4% of the posts are section 57<sup>1</sup> posts.
- 6 of the 55 or 12% of the posts are middle management posts
- 8 of the 55 or 16% of the posts are vacant
- The Municipal Manager is acting<sup>2</sup>

*Graph 1: Analysis of Organogramme*



*Graph 2: Analysis of Workforce as per various levels of responsibility*



<sup>1</sup> This refers to section 57 of the Municipal Systems Act.

<sup>2</sup> The Acting Municipal Manager was seconded from the Siyanda District Municipality.

## 2.2 Workforce Profile

Occupational Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers		8				3		1	12
Professionals									
Technicians and associate professionals									
Clerks		5				9		2	16
Service and sales workers									
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers		3							3
Elementary occupations	1	13				1			15
<b>TOTAL PERMANENT</b>	1	29				13		3	46
Non – permanent employees		8							
<b>TOTAL</b>	1	37				14		3	55

## 2.3. Workforce movement

### 2.3.1 Recruitment

Occupational Levels									TOTAL
	African	Coloured	Indian	White	Africa	Coloured	Indian	White	
Senior management									
Professionally qualified and experienced specialists and mid-management		3			1	2			6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents									
Semi-skilled and discretionary decision making		1							1
Unskilled and defined decision making									
People with disabilities									
TOTAL PERMANENT		4			1	2			7

### 2.3.2 Promotion

Occupational Levels	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior management		2							2
Professionally qualified and experienced specialists and mid-management									
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents									
Semi-skilled and discretionary									
Unskilled and defined decision									
People with disabilities									
Total		2							2

### 2.3.4 Terminations

	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<b>Resignation</b>		1				3			4
Non-renewal of contract									
Dismissal – Operational requirements (retrenchment)									
Dismissal - misconduct		1							1
Dismissal - incapacity									
Other									
<i>Total</i>		2				3			5

## 2.4 Salaries

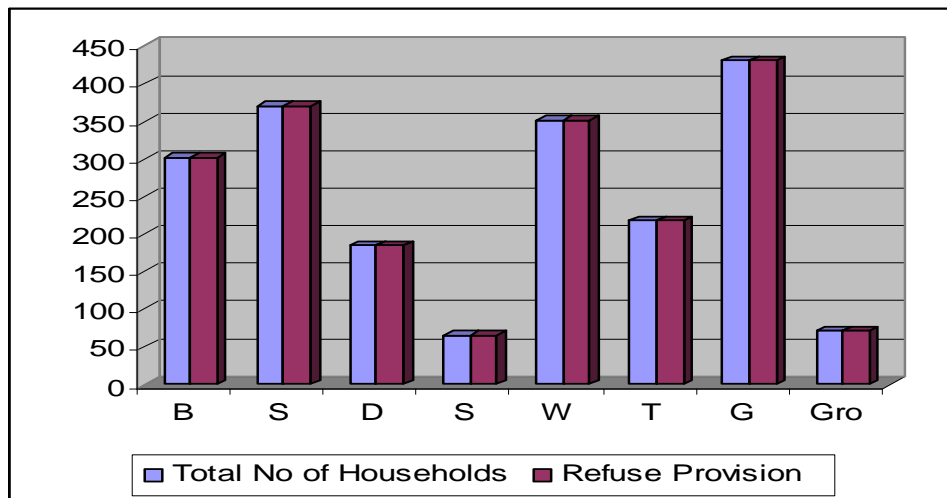
Description	Mayor	Councilor/s	Municipal Manager	Corporate Manager	Services	Total
<b>Salaries and Wages</b>						
Normal	296 373	88 912	54 000	156 000		595285
Overtime						
<b>Allowances</b>	127 761	41 041	6 000	96 000		270802
<b>Total</b>	424 134	129 953	60 000	252 000		866087

## 2.5 Employment Equity

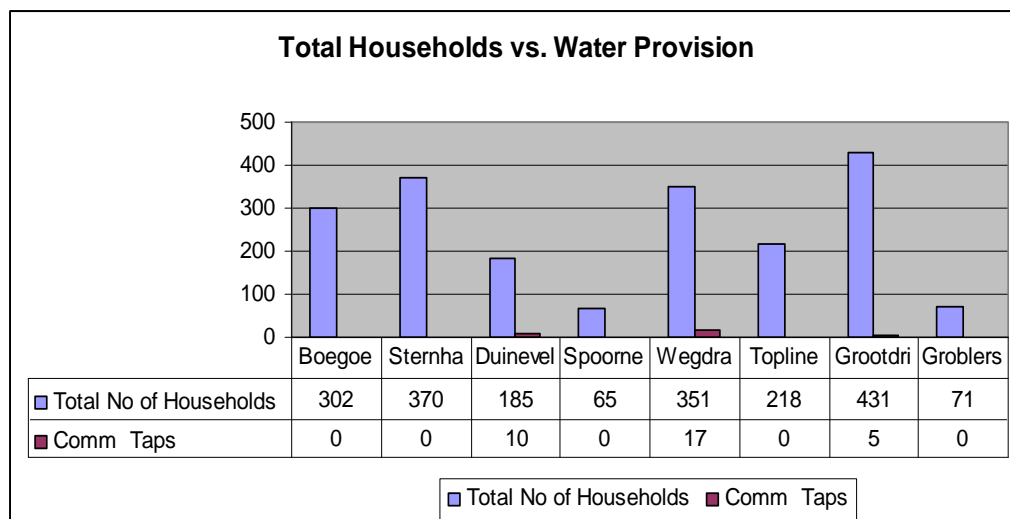
The municipality has completed the employment equity plan; a copy is available from the municipality. The plan is reviewed annually. The Municipality will prioritise the representation of women and the disabled at senior and middle management levels for the coming financial year. Quarterly reviews of the workforce profile will be done to ensure compliance with employment equity targets.

## Analysis of service provision in the municipality

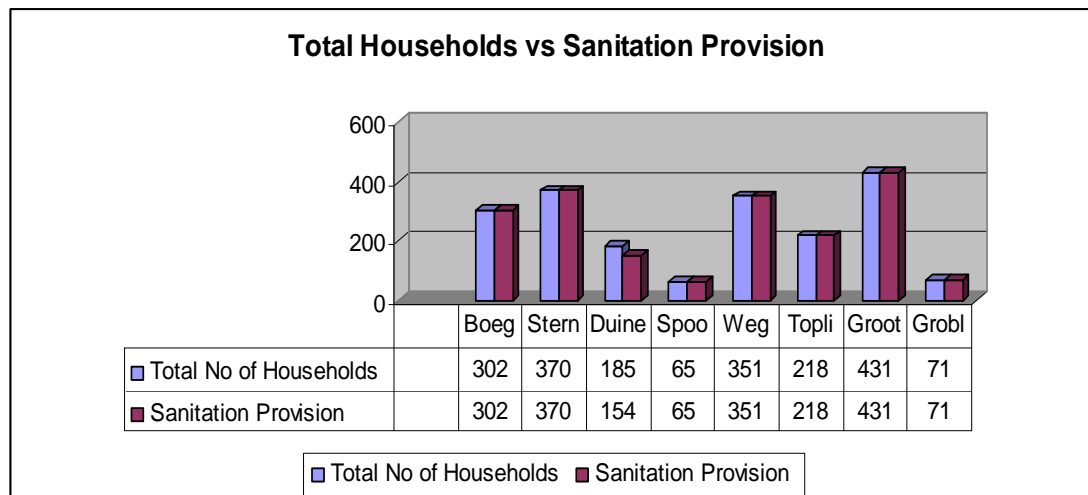
**Graph1: Total Households vs. Refuse Provision**



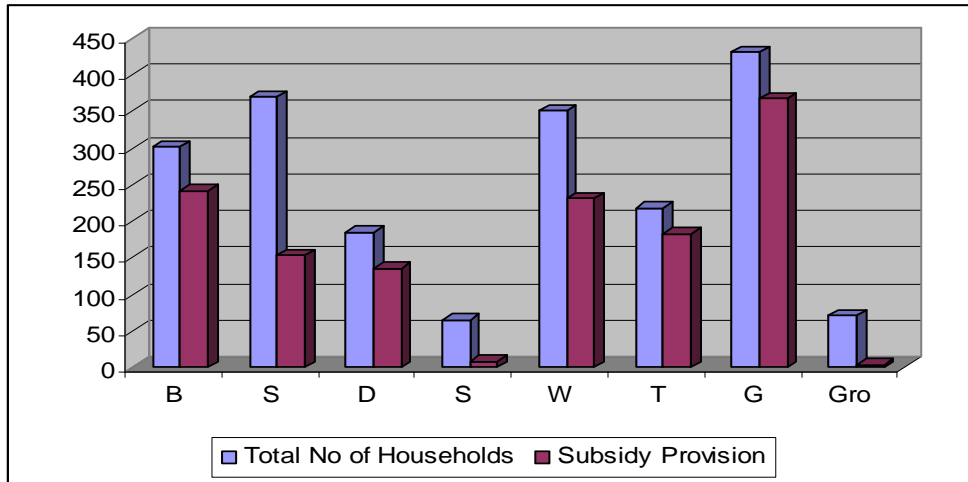
**Graph2: Total Households vs. Water Provision**



**Graph 3: Total Household vs Sanitation Provision**



**Graph 4: Total Households vs. Subsidy Provision**



### 3.6 Key Issues on Credit Control and Indigent Policies

Issue	Progress
Credit Control Policy	Adopted by council still has to become a by-law.
Billing cycle	Municipality has a confirmed cycle for meter reading, sending out of municipal accounts, final notices and cut-off list.
Mentors	There are mentors assigned to each pay point, where they assist the credit control officer with credit control work.
Credit Control Officer	The municipality has appointed a credit control officer who will be the focal person for any credit control related matter.
Customer Care	The municipality is currently in the process of developing a customer care centre at each pay point with the intention of providing a more reliable service delivery system.
Indigent Register	The municipality has an indigent register which is updated on an annual basis or when the need arises based on the qualification criteria.



## **Chapter 4: Municipal Viability and Financial Management**

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### **4.1 Audit Report for 06/07: Annexure B**

### **4.2 Action Plan for Audit Report**

#### **1. Introduction**

It has been noted.

#### **2. Responsibility of the accounting officer for the financial statements**

It has been noted.

#### **3. Responsibility of the Auditor –General**

It has been noted.

#### **4. Basis of accounting**

Note is taken.

#### **Basis for disclaimer of opinion**

#### **5. Revenue**

5.1. The Municipality has commenced with the valuation process of all properties in the municipal area. This process will be completed by January 2009. The status quo shall remain for the 2007/2008 financial year.

5.2. Note is taken.. The Credit Control Officer and Financial Manager are busy setting up the information which will be available during the 2007/2008 audit.

5.3. Efforts have been made to ensure that all hand receipt books of the paypoints are safely kept and stored. The receipt books you refer to have been located and are available at the Municipality.

5.4. Rental agreements have been drawn up and will be signed by the various parties. A rental register has also been compiled.

5.5. Note is taken. It will be ensured in future that all journals are signed by a senior officer as proof that they have indeed been verified.

## **6. Expenditure**

6.1. It is ensured that all payments that are made are indeed recorded in the creditor's file for that particular month.

6.2. It is ensured that the necessary support documents (tax invoices) are attached to the cheque requisitions before payments are authorised. The cheque requisitions, together with the invoices, are then filed in the creditor's file for that particular month.

## **7. Value-Added Tax (VAT)**

7.1. Note is taken. The service provider is presently attending to the problem because VAT is not properly linked to the expenditure items. There is therefore no alternative but to record the returns through spreadsheets. It is ensured that VAT is properly claimed and that all returns are verified by the Financial Manager.

7.2. As a result of the problem mentioned in 7.1, there is no other choice but to rectify the VAT control account by means of a journal.

## **8. Debtors**

8.1. The Credit Control Officer is in the process of drawing up a list in this regard for presentation to Council for final approval. (ZZ Debtors accounts)

8.1.2. The mentioned amounts are amounts that have been paid directly into the Municipality's account, but have not yet been invoiced because Municipality does not know the origin of the payments.

Money is invoiced as soon as its origin is determined and verification whether it must not be repaid, is done.

8.1.3. Mentioned journals are journals that are kept with regard to faulty levies for December 2006 and January 2007 that were made because of readings that were recorded incorrectly.

8.2. Note is taken. No additional provisions have been made for bad debts, because the Provision is not cash based and will in any case disappear from the Council's books with the conversion to GAMAP/GRAP.

## **9. Assets**

9.1. The Municipality is in the process of setting up a Fixed Asset Register and this will be completed by 30 June 2008.

9.2. The inquiry refers to the Water, EPWP- and Oxidation Dam Projects. The difference in capitalisation to the amount of R139 830 is VAT.

9.3. An effort will be made to ensure that the necessary proof with regard to journals will be available in future.

## **10. Creditors**

a.) Note is taken. It will be ensured that the documentation will be available in the future.

b.) Note is taken. Copies of invoices of all creditors that were provided were in the Workpaper file.

c.) Note is taken but the projects have been completed long ago and the unspent funds have been transferred to the accumulated surplus account.

## **11. Leave Provision**

11.1. Note is taken and serious attention is given to the leave records.

11.2. No additional leave provision has been made, because leave provision is not cash based and will also disappear from the Municipality's books with the conversion to GAMAP/GRAP.

## **12. Trust Funds**

Note is taken and will be rectified with the 2008 Financial Statements.

## **13. Commitments**

Note is taken and commitments will in future be reflected in the Financial Statements.

### 4.3 Financial Capacity Building and Systems Development

	Activity Plans/ Projects	Project Funder	Progress	Duration Start	End
1	Provide assistance and on the job training to staff to enable effective functioning of the Municipality	MSIG	Completed	July 06	Jun 07
2	Perform Debtors Data Purification Process and customer education and awareness campaign	MSIG	Completed	July 06	Jun 07
3	Implementation of proper credit control resulting in improved debt collection	MSIG	Completed	July 06	Jun 07
4	Establishment of appropriate committees- Audit and tender committee	FMG	Completed	July 06	July 06
5	Develop budget process and schedule for preparation of operating and capital budgets (Adapted from Treasury guide)	FMG	Completed	July 06	Dec 06
6	Prepare budget information in reporting formats (National Treasury)	FMG	Completed	Jan 07	Mar 07
7	Compilation and completion of financial statements	FMG	Completed	July 06	Aug 06
8	Develop monthly management reporting formats and systems for integrated financial and non-financial reporting, including cash flow monitoring.	FMG	Completed	July 06	Jun 07
9	Develop process and system to extract data and produce the National Treasury data input file for transmission to Treasury of monthly / quarterly reports.	FMG	Completed	July 06	Jun 07
10	Appoint 2 interns	FMG	Completed	July 06	Jun 07

## **Chapter 5: Good Governance and Community Participation**

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### **5.1 State of Ward Committees**

- The municipality has 4 wards and they are:

Ward 1 (Grootdrink and Gariep),  
Ward 2 ( Sternham, Boegoeberg)  
Ward 3 ( Groblershoop, Wegdraai and Opwag)  
Ward 4 ( Topline)

- All 4 wards are functional.
- All wards are controlled by the ANC, the councillors are:

Ward 1: Councillor P. Eksteen (ANC)  
Ward 2: Councillor E. Cloete (ANC)  
Ward 3: Councillor S.M. Jansen (ANC) Mayor  
Ward 4: Councillor K. Esau (ANC)

### **5.2 State of Community Development Workers**

There are 7 Community Development Workers in the municipality. They are:

- Ward 1: R. Christie
- Ward 2: R Coetzee and G. Minnies
- Ward 3: D.R Van Der Westhuizen, M.M Coetzee and Y Mathupi, S. Prusent
- Ward 4: I Steenkamp

## 6. Conclusion

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We have come this not only through our sole efforts as a municipality but through building, real and solid partnerships. These partnerships at times came from what we think are unlikely partners, but they also have come from the expected partners in service delivery. The most valuable of all of these partnerships has been the partnerships built with the communities.

We have are beginning to embrace the fact that we are not going to be able to undertake this enormous task of transforming our communities into being the evidence of what they have fought for over the years. We have also begun to accept that the issues of local government are far bigger than the municipality itself but are rather an issue for the whole nation.

Be that as it is, we also wish to express that where we are going is not around the corner and in this regard wish to express our burning desire and enthusiasm as a municipality to strive with all we have to be there. It is also true that we have not come this far by luck, but by changing the attitude of our municipal employees' and everyone involved in service delivery.

Our municipality as a collective has embraced the “*batho pele*” principles and approach our work with the same ethic. Our municipality has managed to create a sense of urgency in everything we do and our response times to customer problems has improved drastically, and of course we hope to improve to a record breaking 24hours response time.

We also hope to strive towards recognition for service excellence and in this regard we are working towards:

- *Improving the credibility of our IDP*
- *Implementing a fully fledged Performance Management System*
- *Doing monthly reporting on service delivery through the system*

- *Designing interventions which will timeously respond to service delivery blockages. These include strengthening the capacity of the municipality to respond to any such blockages*
- *Improving our financial controls and management*
- *Participating in the Vuna Awards*
- *Winning a Vuna award*
- *Strengthening our community participation systems.*

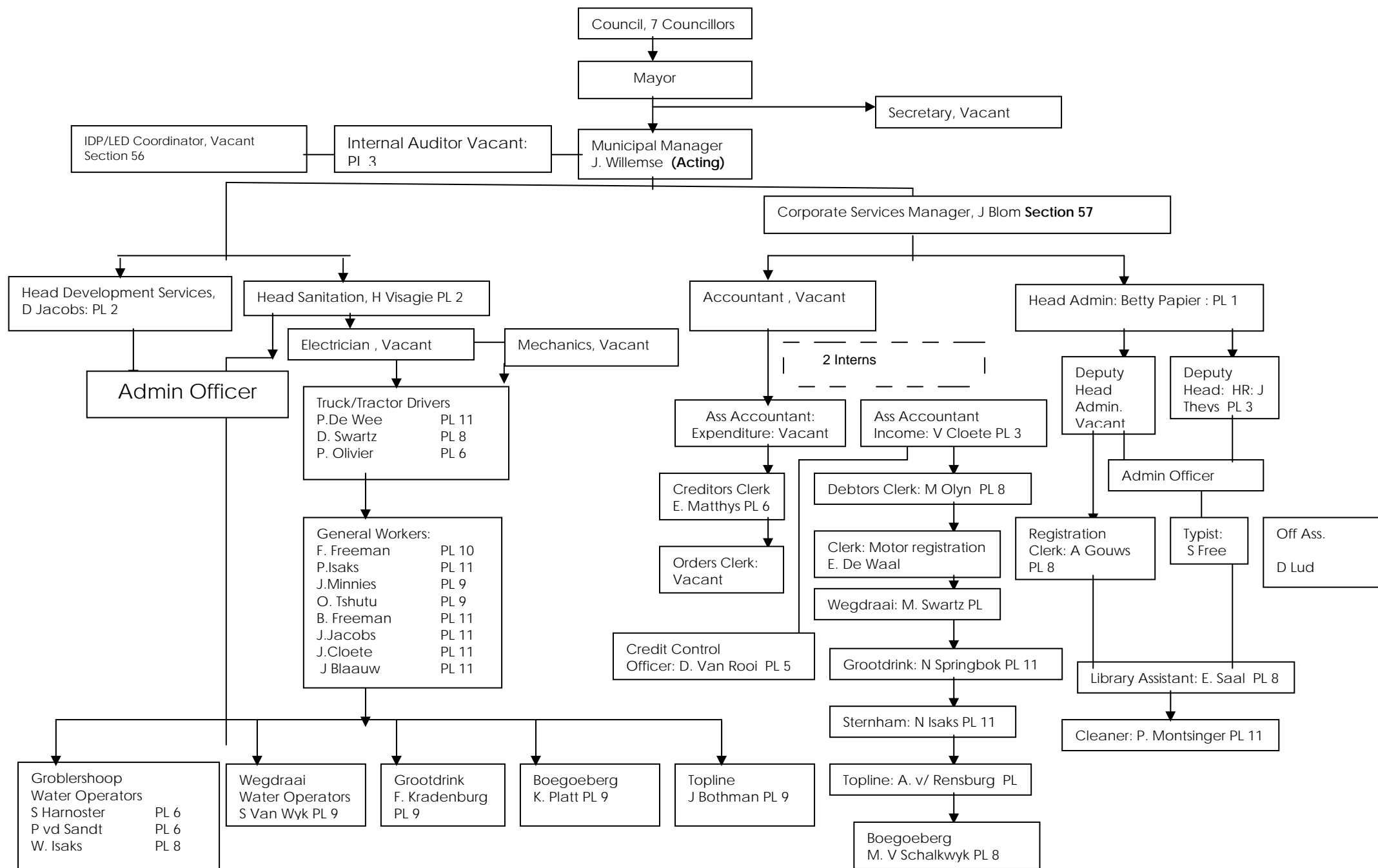
It is in this spirit that we declare that together we can let local government work better for our communities!

# Annexures



# **Annexure A**

## **Organogramme**



# **Annexure B**

## **Audit**

## **Report**

## **06/07**